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FM AMCONSUL SURABAYA  
TO RUEHC/SECSTATE WASHDC 0128  
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS  
RUEHBY/AMEMBASSY CANBERRA 0058  
RUEHWL/AMEMBASSY WELLINGTON 0056  
RUEHJA/AMEMBASSY JAKARTA 0114  
RHHMUNA/HQ USPACOM HONOLULU HI  
RUCPDO/DEPT OF COMMERCE WASHINGTON DC  
RHMFIUU/DEPT OF ENERGY WASHINGTON DC  
RUEHJS/AMCONSUL SURABAYA 0131

UNCLAS SURABAYA 000087

SIPDIS

SENSITIVE  
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DEPT FOR EAP/MTS AND EB/ESC/IEC  
DEPT FOR DS/IP/EAP  
DOE FOR CUTLER/PI-32 AND NAKANO/PI-42  
COMMERCE FOR USDOC 4430

E.O. 12958: N/A

TAGS: [ECON](#) [ENIV](#) [EPET](#) [ELAP](#) [ENRG](#) [PGOV](#) [ASEC](#) [ID](#)  
SUBJECT: EAST JAVA MUDFLOW UPDATE: OPERATIONAL FUNDS DISBURSED;  
VICTIMS PROTEST; HEAVY RAINS BEGIN

REF: Surabaya 80 and previous

This message is sensitive but unclassified. Please protect accordingly.

1. (SBU) Summary: Members of the Sidoarjo Mud Management Agency (BPLS) oversight body visited the site of the mudflow to access operations and set a deadline of 2008 for effective mitigation of the problems caused by the mud. The central government disbursed Rp 500 Qlion (USD 55 million) to the BPLS to fund operations. Victims of the mud staged peaceful protests in Bali and Sidoarjo demanding compensation. Work on relocation of the rail track through Porong began December 3. The first heavy rains in the Surabaya area slowed work at the mudflow site but did not cause any breaks in the earthen dams. End Summary.

BPLS Sets Deadlines, Gets Funds  
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2. (SBU) Soffian Hadi, BPLS Mitigation Manager, confirmed to us on December 7 that members of the BPLS oversight body had visited the site and reviewed the situation in the Porong river and surrounding areas. Contrary to media reports suggesting that the oversight body had set a deadline of 2008 to "kill the mud," Soffian said that they body had established a deadline of 2008 to reduce the problems caused by the mudflow. This directive included improving the performance of the system which channels mud into the Porong River.

3. (SBU) Soffian added that the central government had disbursed Rp 500 billion (USD 55 million) from the state budget for BPLS operations December 5. Soffian noted that, according to regulation, these funds could only be used until the end of December 2007 -- "of course, we can't do that." BPLS has therefore strongly recommended to Jakarta that BPLS be given sufficient time (until April 2008) to use the funding.

Peaceful Protests  
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4. (SBU) On December 4, 25 victims of the Sidoarjo mudflow traveled to Bali to stage a protest at the offices of Medco Energy, a Lapindo investor, during the ongoing UN Climate Control Conference (COP-13). According to local police contacts, the protestors demanded that Medco Energy also be held

responsible for the disaster, which they called an environmental crime. The group took several bicycles assigned to Medco Energy COP-13 delegates, but the police made no arrests.

15. (U) On December 6, two hundred demonstrators protested at the offices of PT Minarak in Sidoarjo demanding their 20% compensation payments, according to press reports. The protestors insisted they had submitted all necessary documentation supporting their claims in September, but had yet to receive any compensation. PT Minarak's compensation coordinator met with the protestors. She pledged to pay the outstanding compensation claims within two days, assuming all of the paperwork was in order.

And the Rains Came Down~.

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16. (SBU) Heavy rains came to the Surabaya/Sidoarjo area December 3, causing street flooding in the city of Surabaya. A BPLS official told us that the heavy rains had turned access roads around the site into mud, slowing down BPLS operations. Although the mud ponds were full of water, the earthen dams had not experienced any breaches. BPLS plans to build a new drainage ditch running between the containment dams and the railway to prevent flooding of the railroad. BPLS expressed confidence that the existing dams' foundations would not be undermined by the new drainage ditch despite its proximity. The heavy rain temporarily increased the Porong River's flow to 160 cubic meters per second, but river sedimentation remains a problem.

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